

SWIGGY LIMITED

MATERIALITY POLICY

Materiality Thresholds

Set out below are the materiality thresholds and disclosure approach for disclosure in the pre-filed draft red herring prospectus, the updated draft red herring prospectus-I, the updated draft red herring prospectus-II, the red herring prospectus and the prospectus and any addendum or corrigendum thereto, (collectively “**Offer Documents**”) to be filed and/or submitted by Swiggy Limited (“**Company**”) in connection with the proposed initial public offering of its equity shares:

1. Legal proceedings;
2. Group companies; and
3. Material creditors;

I. Legal Proceedings:

Please see below the approach in relation to disclosure of the outstanding legal proceedings involving the Company, its subsidiaries, and its directors (collectively “**Relevant Parties**”) and group company(ies), if any. In terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”) the following legal proceedings are required to be disclosed in the Offer Documents:

1. All outstanding criminal proceedings (including matters which are at FIR stage, even if no cognizance has been taken by any court) involving the Relevant Parties;
2. All actions (including all penalties and show cause notices) by any regulatory authorities and statutory authorities against the Relevant Parties;
3. All pending material civil litigations (including arbitration proceedings) and material tax matters (direct and indirect) involving the Relevant Parties based on the materiality policy adopted by the Company. and
4. In addition to the above, outstanding litigation involving the group company(ies) which has a material impact on the Company will be disclosed. Please note that the Company would be required to pass a resolution taking on record litigations of the group companies which have a material impact on the Company, if any.

In terms of point (3) above, it is proposed that the following materiality threshold for disclosure of any pending litigations (including arbitration proceedings) and material tax matters (direct and indirect) involving the Relevant Parties would be considered ‘material’ and be adopted as part of the Materiality Policy, for the purpose of disclosures to be made in the Offer Documents:

1. All outstanding criminal proceedings, and regulatory and statutory matters involving the Relevant Parties. Further, First Information Reports initiated by or against the Relevant Parties, shall be disclosed in the Offer Documents.
2. All actions (including all penalties and show cause notices) by any regulatory authorities and statutory authorities against the Relevant Parties.
3. All outstanding material civil legal proceedings, tax matters, and arbitration matters, involving the Relevant Parties shall be disclosed in the Offer Documents, as the case maybe:

¹ Formerly Swiggy Private Limited and Bundl Technologies Private Limited

- (i) all outstanding civil legal proceedings, tax matters and arbitration matters, involving the Relevant Parties shall be disclosed in the Offer Documents where the aggregate claim/ dispute amount/ liability (including expenses) is equal to or above 0.6% of the revenue from operations of the Company, for the latest financial year included in the Offer Documents (where such matters are quantifiable) based on the restated consolidated financial statements (“**Materiality Threshold**”);
 - (ii) all tax matters (direct and indirect) involving the Relevant Parties, in a consolidated, tabular format providing the number of total cases and total amount involved.
 - (iii) where monetary liability is not determinable or quantifiable, or which does not fulfil the threshold as specified in paragraph 3(i) above, but the outcome of which could, nonetheless, directly or indirectly, or together with similar other proceedings, have a material adverse effect on the business, operations, performance or financial condition, prospects, reputation, position, results of operations or cash flows of the Company; and
 - (iv) litigation where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.
4. All pending legal proceedings involving the group companies which may have a material impact on the Company shall be disclosed in the Offer Documents. In relation to such legal proceedings involving the group companies of the Company (as identified under (II) below), a certificate will be obtained from each group company in relation to any pending litigation involving such group companies, the outcome of which could have a material impact on the Company or the Offer.

Further, pre-litigation notices received by any Relevant Party from a third party (excluding those notices issued to any Relevant Party by statutory/regulatory/tax authorities, notices threatening criminal action against any Relevant Party) shall, unless otherwise decided by the Board of Directors, not be considered as material litigation, until such time that a Relevant Party is impleaded as a defendant in proceedings before any judicial / arbitral forum.

All the matters mentioned above and disclosed in the Offer Documents, involving the Relevant Parties, are required to be disclosed in a consolidated, tabular format providing the number of total cases and total amount involved.

II. Group Companies:

With respect to identification of group companies of a company (“**Group Companies**”), the following are the provisions of the SEBI ICDR Regulations:

- (a) Companies (other than promoters and subsidiaries, if any) with which there were related party transactions, during the period for which financial information will be disclosed in the Offer Documents; and
- (b) other companies as considered material by the Board of Directors of the Company.

Accordingly, for (a) above, all such companies (other than subsidiaries) with which the Company had related party transactions during the periods covered in the restated consolidated financial statements of the Company included in the relevant Offer Documents, as the case maybe, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

With respect to point (b), such companies shall be considered material and disclosed as a Group Company (i) which hold more than 10% of the Company’s share capital **and** (ii) the monetary value of the Company’s transactions with such companies in the most recent financial year and/or relevant stub period for which restated consolidated financial statements are included in the Offer Documents, as the

case maybe, exceeds, individually or in the aggregate, 10% of the total restated consolidated revenue or expenses of the Company for such recent financial year.

Financial information of the top 5 Group Companies identified based on the above approach shall be disclosed on the websites of the respective Group Companies in accordance with SEBI ICDR Regulations.

III. Material dues owed to creditors

In terms of the SEBI ICDR Regulations, the details of creditors including the consolidated number of creditors, aggregate amount involved, details of outstanding amount to micro, small and medium enterprises and other creditors, separately, giving details of number of outstanding creditors and amount involved are required to be disclosed in the Offer Documents and details of outstanding overdue to the material creditors shall be disclosed on the website of the Company.

Accordingly, in relation to disclosure of outstanding dues to the creditors, having a monetary value which exceeds a certain threshold which shall be considered as dues outstanding to the material creditors of the Company.

Accordingly, for purposes of identification of material creditors, we propose to consider the materiality threshold of 5% of the trade payables of the Company, on a consolidated basis as of the date of the latest restated consolidated financial statements of the Company disclosed in the Offer Documents for determining material creditors of the Company.

Further, for outstanding dues to any party which is a micro, small or a medium enterprise, the disclosure will be based on information available with the Company regarding status of the creditor under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

General

It is clarified that this Policy is solely from the perspective of disclosure requirements prescribed under the SEBI ICDR Regulations with respect to the Offer Documents and should not be applied towards any other purpose.

The Policy shall be without prejudice to any disclosure requirements, which may be prescribed by SEBI and / or such other regulatory or statutory authority with respect to listed companies or disclosure requirements as may be prescribed by SEBI through its observations on the Offer Documents, or disclosures that may arise from any investor or other complaints.

The Policy shall be subject to review / changes as may be deemed necessary and in accordance with regulatory amendments from time to time.

All other capitalised terms not specifically defined in this Policy shall have the same meanings ascribed to such terms in the Offer Documents.